



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-884]

Glycine from India: Final Results of Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that producers and exporters of glycine from India received countervailable subsidies during the period of review (POR), January 1, 2020, through December 31, 2020.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Caitlin Monks or Scarlet Jaldin AD/CVD

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SUPPLEMENTARY INFORMATION:

Background

On July 7, 2022, Commerce published the preliminary results of this administrative review in the *Federal Register* and invited interest parties to comment.¹ We received timely case briefs from the Government of India (GOI)² and GEO Specialty Chemicals, Inc. (the petitioner),³ and timely filed rebuttal briefs from the petitioner,⁴ and the mandatory respondents in this review, Avid

¹ See *Glycine from India: Preliminary Results and Recission, in Part, of Countervailing Duty Administrative Review; 2020*, 87 FR 40494 (July 7, 2022) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.

² See GOI's Letter, "Case Brief on behalf of Government of India," dated August 8, 2022.

³ See Petitioner's Letter, "Glycine from India: Case Brief of GEO Specialty Chemicals, Inc.," dated August 8, 2022.

⁴ See Petitioner's Letter, "Rebuttal Brief of GEO Specialty Chemicals, Inc.," dated August 15, 2022.

Organics Private Limited (Avid)⁵ and Kumar Industries, India (Kumar).⁶ On September 29, 2022, Commerce extended the deadline for issuing these final results to December 9, 2022.⁷

Scope of the *Order*

The merchandise covered by the *Order* is glycine from India. For a complete description of the scope of the *Order*, see the Issues and Decision Memorandum.⁸

Analysis of Comments Received

All issues raised in interested parties' briefs are addressed in the Issues and Decision Memorandum accompanying this notice. A list of the issues raised by parties and discussed in the Issues and Decision Memorandum is provided as an appendix to this notice. Based on our analysis of the comments received from interested parties and record information, we made no changes from the *Preliminary Results*. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

⁵ See Avid's Letter, "AVID's Rebuttal to Petitioner Case Brief of August 8, 2022," dated August 13, 2022.

⁶ See Kumar's Letter, "Rebuttal Brief to Petitioner's Case Brief," dated August 15, 2022.

⁷ See Memorandum, "Extension of Deadline for the Final Results of Countervailing Duty Administrative Review; 2020," dated September 29, 2022.

⁸ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Glycine from India; 2020," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Methodology

Commerce conducted this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁹ For a description of the methodology underlying Commerce's conclusions, *see* the Issues and Decision Memorandum.

Final Rate for Non-Selected Company Under Review

There is one company subject to this review that was not selected as a mandatory respondent, *i.e.*, Paras Intermediates Private Ltd. (Paras).¹⁰ Because the final subsidy rates calculated for the mandatory respondents in this review, Avid and Kumar, are above *de minimis* and are not based entirely on facts available,¹¹ we have continued to apply to Paras a subsidy rate based on a weighted-average of the subsidy rates calculated for Avid and Kumar using publicly ranged sales data for these final results.¹² This methodology for establishing the subsidy rate for the non-selected company is consistent with our practice and with section 705(c)(5)(A) of the Act.

Final Results of Administrative Review

For the period January 1, 2020, through December 31, 2020, we determine that the following net countervailable subsidy rates exist:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Avid Organics Private Limited	3.00
Kumar Industries, India ¹³	3.11
Paras Intermediates Private Ltd.	3.06

Disclosure

⁹ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

¹⁰ See Preliminary Decision Memorandum.

¹¹ The subsidy rates for Avid and Kumar for these final results of review are unchanged from the *Preliminary Results*.

¹² See Issues and Decision Memorandum; *see also* Memorandum, "Preliminary Results Calculation of Subsidy Rate for a Non-Selected Company Under Review," dated June 30, 2022 (Non-Selected Rate Calculation Memorandum).

¹³ Commerce continues to find that Kumar is cross-owned with Advance Chemical Corporation; therefore, the same subsidy rate applies to both companies. See Preliminary Decision Memorandum at 8. We note that the *Initiation Notice* references "Kumar Industries" which we have determined is the same company as "Kumar Industries, India."

Normally, Commerce discloses to interested parties the calculations performed in connection with the final results of review within five days of a public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final results in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, because we have made no changes from the *Preliminary Results*, there are no calculations to disclose.

Assessment Rates

Pursuant to 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise covered by this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

In accordance with section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts indicated above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms subject to the *Order*, Commerce will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or

destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: December 9, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Non-Selected Company Rate
- V. Subsidies Valuation Information
- VI. Interest Rates, Discount Rates, and Benchmarks
- VII. Analysis of Programs
- VIII. Discussion of the Issues
 - Comment 1: Whether to Apply Adverse Facts Available (AFA) to Kumar
 - Comment 2: Whether Kumar Received Countervailable Electricity Subsidies from the State Government of Gujarat (SGOG)
 - Comment 3: Whether Commerce Should Adjust its Benchmark and Benefit Calculations for the SGOG Provision of Water for Less than Adequate Remuneration (LTAR) Program
 - Comment 4: Whether Avid Used Both the Interest Equalization Scheme (IES) and the Pre-Shipment and Post-Shipment Finance Programs
 - Comment 5: Whether Commerce has Conducted an Appropriate Review
 - Comment 6: Whether the Duty Drawback (DDB) Program is Countervailable
 - Comment 7: Whether the Export Promotion of Capital Goods and Services (EPCGS) Program is Countervailable
 - Comment 8: Whether the Merchandise Export from India Scheme (MEIS) Program is Countervailable
 - Comment 9: Whether the SGOG Electricity Duty Exemption Program is Countervailable
 - Comment 10: Whether the Pre-Shipment and Post-Shipment Finance Program is Countervailable
 - Comment 11: Whether the Interest Subsidy Under Scheme for Assistance of Micro, Small, and Medium Enterprises (MSMEs) as per Gujarat Industrial Policy 2009 Program is Countervailable
 - Comment 12: Whether the SGOG Provision of Water for LTAR Program is Countervailable
- IX. Recommendation